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FROM : AMEMBASSY, GUATEMALA

TO : DECLASSIFICATION DATE 11/22/76
THE DEPARTMENT OF STATE, WASHINGTON.
PER Pratt OFFICE ARA

REF : FADRC FOI CASE NO. 640259

DESP. NO. 740

April 8, 1954

DATE

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SUBJECT: Carlos Manuel PELLECER Gives Preview of Guatemalan Communist Tactics. Navy-3 Lair-3 Com-4

In an hour-and-a-half speech on April 4 at Quezaltenango the Communist Deputy Carlos Manuel PELLECER gave a preview of Guatemalan Communist aims and tactics in the coming months, stressing measures to combat "foreign intervention" and stating that, "It is necessary to show the United States that the people of Guatemala, always devoted to their ideals, always so brave, have decided to live free or to die."

His speech was addressed to preparations for the May 1 Labor Day celebration and among the specific tactics that he outlined were making the "Struggle Against Foreign Intervention" the principal keynote of the celebration; demanding that the U.S.-Guatemalan Trade Agreement be denounced; urging that Guatemala increase its trade with the Soviet orbit and other countries; pushing through amendments of the Labor Code to make unions independent of the government as well as employers; and struggling for a united front of the masses.

The speech, which was delivered before the Central Committee of the Federación de Trabajadores de Quezaltenango and paraphrased at length in the April 5 Diario de Quezaltenango, had the following highlights:

1. "Anti-Intervention" To Remain Political Keynote: Pellecer said that the fight of the peoples against foreign intervention would be the "primary and principal" slogan of the Labor Day celebration. He acknowledged that the recent labor federation and agricultural organization congresses had somewhat forgotten economic demands and dedicated themselves to political questions, but the people, nonetheless, must show that they repudiated armed intervention and economic boycott. This was still a transitory danger although it could not effectively be brought about because the United States had lost 70% of its markets with the liberation of China.

He also praised the conduct of the Guatemalan delegation to the recent Caracas Conference and said that before Foreign Minister TORIELLO had left for Caracas at its head he had met with the President and the National Democratic Front and agreed on the line to be

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followed after exhaustive discussion. When the delegation was at Caracas, affiliates of the Confederación General de Trabajadores de Guatemala (CGTG) and the Confederación Nacional Campesina de Guatemala (CNCG) had sent him daily cables from all over the country in order that he maintain this line.

2. Denunciation of the U.S.-Guatemalan Trade Agreement. Pellecer listed denunciation of the U.S.-Guatemalan Trade Agreement as the third point in the projected Labor Day demands, following after the struggles against armed intervention and against economic boycott. At another point, he also gave "diversification of foreign commerce" as a Labor Day demand, stating that the United States accounted for 80% of Guatemala's imports and exports and that a crack in the United States economy would bring a crisis to Guatemala. He said that the only safeguard against this was to diversify trade by expanding commercial interchanges with England, France, Holland, Germany and especially with Russia, China and the other Socialist countries.

3. Support of Arbenz Administration and the "United Front." Speaking of domestic politics, he urged continued support of President Arbenz' Administration and the establishment and strengthening of a "united front of the masses." He said that the reactionary and anti-Communist fight against the Arbenz regime was not only against Communism but against all parties and the government, against the people and to the benefit of the United Fruit Company, the International Railways of Central America and Empresa Electrica.

Turning to the situation of the Administration parties, he said one of the most important things to achieve was a single front of the masses. He described the division in the Renovación Nacional (Embassy Despatch 803, March 22, 1954) as unimportant because this party was small nationally. However, when the Partido Acción Revolucionaria was about to divide, all of the other parties had given their aid to establish unity because a division in the majority party could lead to the downfall of the regime (Embassy Despatch 822, March 30, 1954).

4. Peace Movement. He also gave prominence to the movement in "defense of Peace," saying that its importance was not merely romantic but because war seriously affects the workers and peasants.

5. Amendments to the Labor Code. Touching on the field of labor organization and wages, Pellecer announced that the "four deputies of the people" (i.e. the four Communist deputies) had prepared a draft law to make fundamental changes in the Labor Code. He said the right to unionize must be "independent" in order that neither the state or the employer could interfere with it.

With respect to industrial wages, he said that increases could not be sought at this time in certain industries and that

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the effort in these industries should be toward the demanding of the replacement of old or outdated machinery to be financed by loans from an Industrial Bank to be created.

In the field of agricultural wages, he called for a struggle to maintain the high price of coffee in order that the present 80 cent per day goal as the minimum agricultural wage could be raised to $1.00 for permanent employees and $1.50 for seasonal workers.

6. Stepping Up the Agrarian Reform. In a reference to the Agrarian Reform tactics, he stated that while 50% of the land in the Department of Escuintla had been taken, the Agrarian Reform had not been felt in the Departments of Zacapa and Chiquimula. In the Quezaltenango area, he added, there was scarcely any land to be expropriated and the struggle there should be carried out against reactionary mayors who did not want to hand over the communal lands. The peasants must also be thinking of by-passing the expropriation phase and entering fully into cooperatives.

7. Thinly Veiled Attack on Alfonso SOLORZANO. Without mentioning the name of Alfonso Solórzano, Manager of the Guatemalan Institute of Social Security (IGSS), Pellecer launched a serious attack on the IGSS management. He said that, apart from its maternity service, it had done nothing in the past three years and must get out of its rut. It had only served to give fat salaries to its directors, and its manager received $15,000, the highest government salary next to the President's. The cost of administration of the IGSS, he asserted, must be brought down, and there was already a project to limit its autonomy along with that of other agencies such as the National Agrarian Bank, the Production Development Institute (INFOP), the National Mortgage Bank, etc.

8. Significance. Pellecer's speech, the latest and fullest pronouncement on current Communist party tactics, is important principally in that it reflects the continuance of the Guatemalan Communist leaders' feeling that possible United States intervention in Guatemala is the key issue in Guatemalan politics and can be used as the catalyst to bring about the strengthened "National Democratic Front" for which the party has been increasingly striving for the past year.

Within this framework, the revelation that Toriello received his instructions before the Caracas Conference at a meeting with the President and the "National Democratic Front" is especially interesting, for it shows the extent to which the Front has replaced the Cabinet as a policy-making body and underscores the insignificance of the often-repeated Administration claim that there are no Communists in the Cabinet. The Front is Communist-dominated (Embassy Despatch 793, March 17, 1954) and it is through

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this agency that the Communists are increasingly taking the leading role under President Arbenz in setting national policy. Its influence is also seen in Pellecer's statement indicating that it had intervened to compose the differences within the PAR.

Pellecer also confirmed the analysis of this Embassy that the Communists consider the present Agrarian Reform as transitory (Embassy Despatch 818, March 29, 1954) when he referred to the expropriation "phase" and urged the peasants to be thinking about the next "phase," that of joining producers' cooperatives. Such cooperatives are, in Communist theory, a way-station on the road to the socialization of agriculture and Pellecer's remarks reflect a line of thought that regards the present Agrarian Reform Law as merely a preparatory step.

It is also clear that the Communists, as represented by Pellecer, are now also determined to go forward with the amendment of the Labor Code. It will be recalled that a series of amendments desired by the Communists was pushed through Congress in April, 1952, but vetoed by President Arbenz on the apparent grounds that the country could not stand the amendment at the same time as the Agrarian Reform Law, which was introduced in Congress a few days later.

Finally, Pellecer's speech gives an interesting reflection on the conflict between the orthodox Communists gathered in the Partido Guatemalteco del Trabajo (PGT), the country's official Communist party, and the intellectual Communists headed by Solórzano, who are not apparently under the discipline of the local party. It will be recalled that the situation among Communists in Guatemala is parallel to the situation in Mexico where there is apparent separation between the orthodox Partido Comunista de Mexico (PCM) and the Communist labor leader, Vicente Lombardo Toledano, with whom Solórzano worked before the 1944 Guatemalan Revolution. The friction here is apparently particularly sharp between Pellecer and Solórzano, for it was Pellecer in July, 1952, who labeled Solórzano as "another Ana Pauker" and accused him of laziness in the management of the IGSS.

FOR THE AMBASSADOR:

William L. Krieg
Counselor of Embassy.

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# FOREIGN SERVICE DESPATCH

AmEmbassy, Guatemala

896
DESP. NO.

F790005-0712

THE DEPARTMENT OF STATE, WASHINGTON.

April 30, 1954
DATE

MAY 3 1954

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SUBJECT: Guatemalan Communist Party to Seek More Seats in 1953-54 Congressional Elections

Deputy César MONTENEGRO Paniagua, a member of the Communist Partido Guatemalteco del Trabajo (PGT), was quoted in the press on April 29 as stating that the PGT would ask the "National Democratic Front" to increase its present representation of four deputies at the next congressional elections which are to take place in late 1953 or early 1954. He gave the increase in party strength as the justification for the request but refused to say just how many seats the party will seek.

To meet the Communist request, the "National Democratic Front" would have to assign an appreciable proportion of the administration candidacies to PGT members. There will be twenty-four or twenty-five seats at issue and three certain constituencies would have to be assigned to the PGT to replace the three PGT deputies whose terms will expire. Additional seats would have to be taken at the expense of the other revolutionary parties, since the Opposition is virtually certain to capture some of the seven Guatemala City seats at issue.

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William L. Krieg
Chargé d'Affaires ad interim

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FROM: AMEMBASSY GUATEMALA

901
DESP. NO.

TO: THE DEPARTMENT OF STATE, WASHINGTON.

May 3, 1954
DATE

REF: F790005-0713

MAY 5 1954

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| | REC'D 5/6 | OTHER: USIA-10 CIA-7 NAVY-3 |

SUBJECT: Politburo of Guatemalan Communist Party Says U.S. Failed at Caracas, Warns of Continued Interventionist Attempts.

There are enclosed a translation and the Spanish text of a statement on the Caracas Conference adopted by the Political Committee of the Partido Guatemalteco del Trabajo (PGT), Guatemala's Communist Party.

This document, which sets the party line towards Guatemala's relations with the United States at the present time, purports to show that the United States has used inter-American organizations for imperialist exploitation of Latin America, that in the present phase of history the Latin American people are rebelling against this exploitation, and that the United States therefore had to resort to blackmail and coercion to have even a watered down "anti-Communist" resolution passed at the Caracas Conference. However, despite this victory of the "anti-imperialist" forces, the Political Committee warns, the imperialists will continue their efforts towards intervention in Guatemala and an organized struggle against such intervention must be maintained.

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OFFICE OF INTER-AMERICAN AFFAIRS
MAY 7 - 1954

William L. Krieg
Chargé d'Affaires a.i.

Enclosures:
1. Informal Translation, PGT Statement;
2. Newspaper Clippings thereof.

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Informal Translation, Statement by the Political Commission of the Central Committee of the Guatemalan Labor Party, Tribuna Popular, April 25, 1954:

## BALANCE SHEET OF THE CARACAS CONFERENCE

The Tenth Inter-American Conference took place from March 1 to March 27 in the city of Caracas, Venezuela. No other event in international history in recent years has been followed with as much interest by the Guatemalan people as the Caracas Conference. The political Commission of the Central Committee of the Guatemalan Labor Party considers it necessary to make a balance sheet of the Conference.

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Throughout the years, ever since 1890 when the foundation of the inter-American system was laid, beginning with the Pan American Union, and continuing since1948 under the name of the Organization of American States (OEA), this system has constantly served as an instrument of the expansionist foreign policy of the Government in Washington formulated by the powerful U.S. monopolies. It is not strange that Yankee monopolist investments have increased in Latin America since the creation of the inter-American system, or rather it is not strange that the inter-American system was created and consolidated simultaneously with the increase in Yankee monopoly investments which have resulted in the loss of Latin American national independence. In 22 years, from 1897 to 1919, direct American investments in Latin America amounted to $1,700,000,000; the rythm of these investments has been greater in recent years; in only seven years, from 1943 to 1950, they grew to $1,900,000,000, and in only two years, from 1950 to 1952, they increased another thousand million. Mr. Foster Dulles, Secretary of the U.S. Department of State boasted at the Caracas Conference that direct Yankee investments in Latin America amounted to date to $6,00,000,000 and demanded better terms from our countries for increasing these investments.

Everyone knows what these thousands of millions have signified for Latin America: the backward economy of Latin America is in the strong grip of the Yankee monopolies which obtain millions of dollars in profits from our countries, while the people of Latin America suffer miserable conditions under the heel of bloody despots in the service of foreign capital.

This brutal situation is pointed to by Washington as a "model of international cooperation," as an "example of the solidarity and unanimity" which exist in America, using the well-known phrase, which has no foundation, that "America is the Continent of freedom."

Nevertheless, U.S. domination is not everlasting, and it has been maintained in recent years only by overcoming growing difficulties.

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The fight for national liberation by Latin American countries is being strengthened, headed by the Communists and the working class of each country and even, in some cases, taking in sectors of the local bourgeousie which is also desirous of shaking off the stifling U.S. yoke.

In recent years, the movement for national liberation has taken on particular importance in Guatemala, which, for this reason, has earned the hatred of Yankee imperialists. Everyone knows of the plans and threats used by foreign interventionists in an attempt to overthrow violently the patriotic and progressive regime headed by Colonel Jacobo Arbenz, in place of which they wished to install a government of assassins who dream of bombarding the peaceful citizens of our cities with napalm bombs.

The Caracas Conference was planned, then, at the time when Yankee monopolies dreamed of increasing their direct investments in Latin America, at a time when patriotic opposition in Latin America to the colonial domination of Yankee imperialism was growing, and at a time when Guatemala, like a lightening rod, was attracting to itself a storm of imperialist intervention threats plotted with the tyrannies of Central America and the Caribbean and with the traitors who head the subversive movement in our country, falsely called "anti-Communist."

The democratic forces in Guatemala which have consistently denounced the many plots planned by foreign intervention against our country, also denounced the Caracas Conference well in advance (on November 26, 1953), declaring that it would be used by Washington to wrest a formula from the nations of Latin America which would "legalize" intervention against our country. The formula was to consist of a Conference resolution which would condemn Guatemala as a "threat" to "continental solidarity and security" and would oblige the nations of America to adopt measures against the alleged "threat."

On November 10, 1953 the U.S. Government asked that the Caracas Conference discuss its proposal on "international Communist intervention in the American Republics." The Yankee proposal was nothing more or less than a key to open the door to the intervention resolution mentioned above, and this was soon confirmed by many publications and reports. But it was not long before other publications and reports revealed the difficulties encountered by the Yankee imperialists in attempting to ensure beforehand the support of the Latin American delegations for an anti-Guatemalan resolution. The extensive solidarity with Guatemala's fight, the unanimity of our people's rejection of possible foreign intervention, and the firmness of President Arbenz' Government, made things even more difficult for the U.S. sponsors of local conspirators.

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Even before the Caracas Conference opened it was apparent that the Latin American countries were principally concerned with their economic problems. The yoke of Yankee domination has been tightened to such an extent that even Governments usually very subservient to Washington

were anxious to attend to economic problems. Trembling, stammering, they were forced to present their economic problems in some way, under pressure from their people.

For its part, the U.S. delegation was little inclined to pay attention to such problems and during the debates left no room for doubt as to its real intentions.

The "New York Times" correspondent wrote at the beginning of the Caracas Conference: "To date apparently not one country south of the United States has appeared satisfied with U.S. policy..." It is pertinent to add that now that the Conference is over there are even fewer reasons for satisfaction with that policy.

In order to avoid a discussion of economic problems - so essential to the countries of Latin America - the U.S. delegation, headed by Mr. Foster Dulles, a typical representative of the hated "big stick policy," employed any means to make the seditious "anti-Communist" proposal the principal matter of the Conference, a proposal directed against any country in which difficulties might arise with Yankee monopoly capital, and in particular, at this time, against Guatemala. From the beginning of the Conference, the U.S. delegation demanded that its "anti-Communist" proposal have priority over any other, and made it very clear that Mr. Dulles had come to Caracas for the express purpose of forcing a favorable vote from the majority for that proposal.

But Mr. Dulles was forced to prolong his stay in Caracas more than he had anticipated. The Latin American delegations were not unanimously disposed to be led docilely by the U.S. shepherds. There then began a period of shameful pressure and blackmail. The Latin American delegations were consulted one by one at the American Embassy in Caracas concerning the proposal to be presented by the U.S. delegation, a proposal directed openly against Guatemala. Mr. Dulles received so emphatic a refusal that he was forced to amend his original proposal substantially, convinced that a motion openly directed against Guatemala would not succeed at the Conference.

But even with the modifications which were introduced, the Yankee proposal still had a difficult course to follow toward final approval. Faced with pressure from the people and the firm denunciation of the Guatemalan delegation, all the delegations were forced to affirm in one way or another their "faith" in the principle of non-intervention, and several of them presented serious substantive objections to the Yankee proposal, particularly the Mexican, Argentine and Uruguayan delegations.

The Guatemalan delegation, after clearly and incontrovertibly establishing its position - the position which the democratic forces and the Government of our country have maintained toward the Yankee proposal - suggested that, in the first place, a definition be given of what the Conference understood by "international Communism," since, as Foreign Minister Toriello said, "'Communism' has been used to define the abolition of unjust privileges enjoyed by foreign companies; labor and

agrarian legislation favoring rural and city workers; the expropriation of oil lands; the pro-peace campaign; and any campaign for the economic and social improvement of the people: any effort to achieve complete independence; the desire of colonial peoples to win their freedom and independence, etc."

The Guatemalan delegation's question aroused the most insignificant (ruling) delegations to define, each after its own fashion and not one in accord with the other, what they considered the worn out phantom of "international Communism" to be. The lack of agreement among the various delegations is eloquent evidence of the extent to which the dirty banner of "anti-Communism" is merely a smokescreen!

After days of debate the Yankee proposal was approved, with Guatemala voting against it and two important countries of Latin America - Mexico and Argentina - abstaining. Days before, the "New York Times" correspondent, biting his nails because of the concern he felt for the chances of the Yankee proposal, wrote from Caracas that the "salvation" of the proposal would be possible only through "energetic action and the application of economic pressure." The facts show to what extent blackmail and "economic pressure" were used. Bolivia and Chile were offered a "solution" to the serious condition of their principal products (tin and copper, respectively); other governments were made similar offers and the Ecuadoran Government was informed that they would not be granted the $12 million credit they were negotiating for in the United States if they voted against the U.S. proposal! (After the Conference, as payment for its shameless subservience to Yankee demands, Ecuador received the credit.)

Expressing the sentiments of not a few of the delegations, the Venezuelan representatives stated, after approving the Yankee proposal: "We have added our vote for this document without optimism, without enthusiasm, without the satisfaction of believing that we were joining in the adoption of a constructive, progressive measure capable of pleasing anyone in America but the Governments." The magazine "Visión", accommodating spokesman for the Yankee Department of State, reported that a delegate to the Caracas Conference had stated that "the United States came out ahead once more. They wanted an anti-Communist declaration and they obtained it as they wanted it. We are tired of serving as the plaything for American international and domestic interests." And the "New York Post" to cite only one newspaper, said that Dulles had left Caracas "leaving behind him the seeds for an anti-Yankee front... No verbal victory obtained by us (adds the newspaper) can conceal our profound ideological defeat."

What remains of the Conference if we subtract the "anti-Communist" resolution? What attention and what satisfaction was given to the essential economic problems of Latin America? None! The countries of Latin America were cold-bloodedly deceived once again. The U.S. delegation which employed all measures to achieve unanimity in support of its "anti-Communist" resolution, successfully opposed with all its might the solution of economic problems. With the precise language of

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businessmen, the U.S. delegation summed up its position in the following terms: "In political questions the fundamental concern is unanimity; but in economic questions it is "democratic" to ...disagree." (1)

The most that the Latin American nations could obtain in connection with their primary concern was a resolution calling for a future meeting of Ministers of Finance or Economy. In the "Whereas" clauses of that resolution it is recalled that the Ninth Inter-American Conference (1948) "implementing a decision of the Río de Janeiro Conference of 1947, called an Economic Conference of the Organization of American States at Buenos Aires," a conference which after six years has still not been held and shows no signs of being held on any specific date.

The Guatemalan delegation presented several constructive proposals to the Economic Commission of the Conference referring to the "Need for guaranteeing stable markets and remunerative prices for raw materials, foodstuffs and semi-manufactured items," "Agrarian reform and economic development," "Necessity for prohibiting the economic boycott in inter-American relations," "Diversification of production and industrialization, essential to the progress of American States," "Investments by foreign capital and economic development" and "Monopolies and economic development." The above Guatemalan suggestions followed the general position of President Arbenz' democratic government. Of them all, only the one favoring the Agrarian Reform was approved, while in response to the other proposals the Conference voted a resolution entitled "Investments of private foreign capital and economic development" which contains the monstrous recommendation that our countries adopt the measures long demanded by the U.S. monopolies, measures which go so far as to include the elimination of tax payments which the resolution qualifies as "discriminatory or unduly onerous." This very language has always been used in our country by the United Fruit Company!

Let us proceed to an examination of the "anti-Communist" and "intervention" resolution adopted by the Caracas Conference under the deceptive title of "Declaration of solidarity for the preservation of the political integrity of American States against intervention by International Communism."

It goes without saying that this statement repeats the oft-repeated anti-Communist lies which appeared in the Bogotá (1948) and Washington (1951) resolutions, and the same hypocritical phrases about the "peace and security of the American States" and "the faith of the American peoples in the effective exercise of representative democracy," etc. What was added to this deceptive smokescreen was the statement that:

> "Domination or control of the political institutions of any American State by the International Communist movement which might result in the extension to the American continent of an extra-Continental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would require the adoption of appropriate measures in accordance with existing treaties."

Which are the treaties referred to by the Declaration? The text does not indicate, but during the debates it was clearly established that the reference was to the Inter-American Reciprocal Assistance Treaty, commonly known as the Río de Janeiro Pact, signed in September 1947.

This is not the occasion to re-examine that Pact, supposedly of a defensive nature but in reality one of Yankee imperialism's instruments for lashing the countries of Latin America to the cart of their aggressive adventures. The Pact obliges the American States to reject unanimously aggression against any one of them, but its clauses are intentionally and insidiously written with such vagueness and in such general terms that its application under orders from Washington, is extremely dangerous for our countries as proven by the Caracas Conference where the Río de Janeiro Pact was called upon to trample the sovereignty and independence of any Latin American State which might annoy the governing circles in the U.S.

Article 6 of the Pact states that if "the sovereignty or political independence of any American State is subjected to aggression other than an armed attack, or by a conflict either extra-orintra-continental, or by any other act or situation which might endager peace in America, the Consultative Body is to meet immediately in order to agree on the measures to be taken in support of the victim, or, in any case, the appropriate measures to be taken for the common defense and the maintenance of Continental peace and security." (Italics ours, PGT)

The measures which may be taken by the Consultative Body are indicated in Article 8 of the Pact: "Withdrawal of chiefs of mission; breaking of diplomatic relations; breaking of consular relations; partial or total interruption of economic relations or rail, sea, air, postal, telegraph, telephone, radio telephone or telegraph communications, and the use of armed force."

The aforementioned measures are obligatory for all signatories to the Río de Janeiro Pact, "with the sole exception that no State is obligated to employ armed force without its own consent." (Article 30) Finally, the sole requirement for the adoption of the above measures is the vote of two-thirds of the signatory States. (Article 17)

As can be seen, the Declaration, proposed by Dulles and approved by the Caracas Conference, the true purpose of which is concealed by the reactionary press, constitutes a monstrous threat against the sovereignty and independence of the Latin American States, since the Government of the United States, dominated by the U.S. monopolies, could, protected by the Declaration adopted at Caracas, call for a meeting of the Consultative Body under the pretext that the Government of Guatemala has fallen under the control or domination of the Communists, and, utilizing at will the votes of some dozen lackey governments in Latin America, have any of the measures included in Article 8 adopted. Needless to say, the ruling circles in the United States have insisted that the Government of Guatemala "is Communist," a lie which at a given moment

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can be invoked to set the Río Pact machinery in motion, with the further support of the Declaration adopted at Caracas.

The Minister of Foreign Relations, Lic. Guillermo Toriello, in the name of the Guatemalan Government, declared at the Caracas Conference that the interpretation which would now be given to the Río de Janeiro Pact is an "interpretation which attempts to convert the measures established in that Treaty into collective intervention in the internal affairs of American States." He added: "We make the emphatic statement, and to this highly important matter we call the attention of the American Continent, that we can accept no new interpretation of the provisions of the Río de Janeiro Treaty which attempts to convert that Treaty into an instrument for intervention in the internal affairs of American States."

Foreign Minister Toriello also said: "Guatemala rejects any type of intervention, individual or collective; intervention comitted to injure democracy or intervention carried out under the pretext of defending it. Our position is clear and is not subject to interpretation: the people and the Government of Guatemala are not prepared to allow intervention by any force, any political international organization, any nation within or outside the Continent, and for no pretext... and any such intervention, political or economic, unilateral or collective, will be denounced before the Organization of American States and the Security Council of the United Nations; and it will find Guatemalans defending their native soil inch by inch and prepared for any sacrifice in defense of national dignity."

In the final record of the Conference, the Guatemalan delegation set forth the views it had maintained during the debates. The Mexican delegation also put into the record its views condemning emphatically the Declaration proposed by Dulles and approved in the manner we have discussed. Other delegations included statements revealing their government's lack of inclination, under vigorous popul[illegible] pressure, to lend themselves willingly to the application of Yankee imperialism's plans against Guatemala and against any other State which may earn the ill will of the monopolies which dominate the Government of the United States.

Moreover, the Conference approved a so-called "Caracas Declaration" the provisions of which are radically opposed and contradictory to those of the anti-Communist resolution. The Governments of Latin America, aware of the sentiment of the peoples of the Continent and their firm opposition to any intervention against any State, and in particular, at the moment, against Guatemala, felt obliged to insist on the non-intervention principle as an axiom in the relations among States. That is why several Latin American delegations, although they were in agreement with the interventionist resolution proposed by Dulles, were in favor of the Conference's approving a Declaration reaffirming the principle of non-intervention and the right of nations to decide freely, without foreign interference, on their internal affairs.

The Caracas Declaration constitutes a denial of the Dulles resolution and it will be the task of the people to see that it prevails in the future.

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An examination of the Conference provides the following conclusions and fixes the position which we suggest the nation assume in defense of democratic freedoms, sovereignty and national independence.

1.-The Caracas Conference was a heavy blow to U.S. policy which continues to consider Latin America as the "back yard" of the United States, an expression used without mincing words by several newspapers like the "New York Times." Never had U.S. policy been the object of so much criticism at an inter-American Conference. From this standpoint and from the standpoint that the Declaration imposed by the North Americans is not all that the Yankee leaders would have liked it to be, since they would have liked to put Guatemala on trial and condemn her as a "threat to Continental solidarity," etc., it can be stated that the Caracas Conference constituted a serious reverse for the leading circles in the United States.

2.-Nevertheless, it would be a dangerous illusion on the part of our people to judge that all threat of foreign intervention against Guatemala has disappeared. The difficulties encountered by Foster Dulles in advancing his proposal did not prevent him from forcing the approval of the majority of the delegations. The Conference did not approve the proposal as originally advanced by the U.S. Government, but it did approve an interventionist declaration under the title of "Declaration of solidarity for the preservation of the political integrity of American States against the intervention of international Communism."

This Declaration is frankly interventionist; it is a threat which hovers over our Nation and over the heads of all governments in Latin America which may decide to undertake an independent policy in harmony with the demands of their people. The Declaration constitutes a brutal violation of the right of self-determination of nations which, in using that right, can give themselves the regime which they have freely chosen, even a Communist regime if they so wish, and no State should have any authority to intervene and molest people from exercising their rights. Under the pretext that "control or domination" of an American Government by the Communists "would constitute a threat to the sovereignty and political independence of American States," the Declaration "authorizes" foreign intervention against whichever country the U.S. Government might indicate as being "dominated" by the Communists. A declaration of this type not only violates the right of self-determination; it also violates the Charter of the United Nations, the Charter of the Organization of American States, and the Human Rights Charter which has been signed in the UN by all American states. Further, the application of the Declaration would violate the Constitution of many nations - if not of all - since there is not a State whose Constitution does not establish the sovereign right of the people to govern themselves and live without being subject to the dictates of a foreign power.

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3.-The Declaration imposed by the North Americans at Caracas twists the interpretation of the Río de Janeiro Pact, placing it at the service of interventionist plans. The Communists and the workers of Guatemala denounced this Pact at the time as an instrument of U.S. policy. Guatemala signed the Pact as a result of a foreign policy contrary to the national interests and impregnated with the false idea that "nothing can be done against the wishes of Washington." At that time no one wished to pay heed to the voice of the Communists and the working class, but now it would be difficult for persons of democratic ideas and patriotic sentiments not to understand clearly that theRío de Janeiro Pact cannot result in any good for Guatemala and that, on the contrary, it can be utilized by the forces of international reaction to the detriment of the aspirations of our people.

4.-It is essential that one other fact of great importance be pointed out: the vigorous mobilization of peoples against the domination of the foreign monopolies, demanding the reaffirmation of the principle of non-intervention and offering their solidarity with Guatemala was a factor of great weight which could not be ignored at the Caracas Conference. The attitude taken by a goodly sector of the delegations was the result not of the fact that they were animated by democratic convictions, but of the fact that they were forced to consider public opinion in their own nations.

5.-Recent announcements, publications and statements by the government circles in the United States, lead one to believe that the U.S. policy will not in the future become more favorable for Latin America; on the contrary, everything indicates that they will continue to follow a policy of greater extortion of our countries, aggravating our economic problems and the condition of the working masses.

6.-The Guatemalan Labor Party believes that the Guatemalan delegation's conduct at the Caracas Conference was good; it followed fundamentally the line of the democratic forces and the Government of President Arbenz and for this reason the people gave them their firm support.

The conduct of the Guatemalan delegation was in line with the orientation of Guatemala's foreign policy in recent years. At the moment our country's foreign policy is conforming more and more to the internal policy of President Arbenz' Government, that is, it is conforming more and more to a policy in defense of democratic freedom and national independence, a policy which takes into account the national interest and which is, thereby, more anti-imperialist.

7.-The people of Guatemala should be aware of the fact that they cannot relax their vigilance and falter in their patriotic struggle against foreign intervention. U.S. imperialism is not slackening nor will it slacken in its aim to destroy the revolutionary movement in our country. The Government of the United States, a government of the U.S. monopolies, at all times acts and will act with relation to Guatemala and all the nations of Latin America, as imperialism acts and has always acted to stifle the just aspirations for national liberation on the part of oppressed peoples.

This is not to say that foreign intervention and the collapse of our people's revolutionary struggle are inevitable. Imperialism is powerful but not omnipotent. The fight for the national liberation of our people is an indissoluble part of the fight for liberation by all of the oppressed peoples of the earth who amount to millions and hundreds of millions of beings firmly resolved to order their destiny with absolute independence. Guatemala is small and weak, but it is not alone, nor is it powerless.

The fight for the unity of all the people in the defense of progress, of democratic freedoms, of national sovereignty and peace, must continue and gain greater and greater force. The political Commission of the Central Committee of the Guatemalan Labor Party once more calls on all patriots to unite; all those who, above their political, religious or other difference, can fight united because there burns in their hearts the flame of liberty and love for the Fatherland.

In this fight the working class has an outstanding role. The working class, which holds in its hands the banner of national independence, of democratic freedoms and of peace, must to an increasing extent become the hard core of the united front of the popular Guatemalan masses. Now that the Caracas Conference is over, the Guatemalan people must give a suitable reply to U.S. imperialism, the only reply in harmony with the interests of the nation: we reject all foreign interference in our internal affairs; we defend and we shall always defend the right of our people to give themselves the political regime they want!

The Political Commission of the Central Committee reaffirms on this occasion what it stated in our Program:

"The Guatemalan Labor Party puts its confidence in the ability of our people to move forward. The future belongs neither to the feudal exploiters nor to the imperialist enslavers. The future belongs to the people who are marching toward their national liberation. The people of Guatemala, in whose hands alone is the achievement of their happiness and welfare, are fully capable of achieving the tasks they have set before them."

"In this beautiful and relentless struggle by the people for their happiness and welfare, for national independence and peace, the Guatemalan Labor Party hopes to occupy the combative post of vanguard."

Guatemala, April 24, 1954

POLITICAL COMMISSION OF THE CENTRAL COMMITTEE OF THE GUATEMALAN LABOR PARTY

Translated by: R.Dossick

AIR POUCH
PRIORITY

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(Security Classification)

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FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, GUATEMALA — 923 DESP. NO. — May 10, 1954 DATE

TO : THE DEPARTMENT OF STATE, WASHINGTON.

REF : Emb. Desp. 308, October 9, 1953

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| | ARA-4 | INFO OCR/R-2 OLI-6 P-1 EUR/X-1 |
| | REC'D 5/13 | OTHER CIA-7 NAVY-3 OCB-1 USIA-10 |

SUBJECT: Oscar Edmundo PALMA Identified as Member of the Central Committee of Guatemalan Communist Party

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Oscar Edmundo PALMA, long known to be a prominent Communist, was positively identified as a member of the Central Committee of the Partido Guatemalteco del Trabajo (PGT) when that title was published under his name in an article he wrote for the May 1st issue of the party newspaper Tribuna Popular. Palma, a schoolteacher who is Secretary for Propaganda of the National Peace Committee and travelled behind the Iron Curtain in 1953, was presumably elected to the Central Committee at the last party congress in December, 1952, but this Embassy previously had no definite record of it.

FOR THE AMBASSADOR:

William L. Krieg
Counselor of Embassy

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# FOREIGN SERVICE DESPATCH

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TO : THE DEPARTMENT OF STATE, WASHINGTON

DATE June 2, 1954

REF : --

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ACTION: ARA-4 DEPT. OCR/R-2 OLI-6 P-1 EUR/X

INFO OTHER CIA-7 USIA-10

SUBJECT: RESIGNATION OF JOSE MANUEL FORTUNY FROM POSITION AS SECRETARY GENERAL OF THE COMMUNIST PARTY

Buried away on the inside of the Communist newspaper [illegible] of May 27, 1954, but quickly brought into prominence by the opposition press, was the news that José Manuel FORTUNY, Secretary General of the Communist Party, now the Partido Guatemalteco de Trabajo (PGT), had at a meeting of the General Committee of the Party on May 26 resigned temporarily from his position and was being replaced by Bernardo ALVARADO Monzón. The reason for this reported resignation has been the subject of much speculation, the speculation resolving itself around the two following general theories:

1. The newspaper La Hora on May 28 reported that a major group in the PGT favored the withdrawal, real or fictitious, of 14 Communists from positions in the Guatemalan Government so that there would be less reason for calling the Government Communist, and that Fortuny not being in favor of this proposal, had resigned from the leadership of the Party. The newspaper stated that it was ignorant of the identity of these 14 Communists or of their positions in the Government. This theory has been energetically denounced by Communists who have insisted that there is no division within the Party.

2. The Communists have declared that Fortuny resigned from his position because he is in need of medical attention. The newspaper La Hora of June 1 reported that it was unofficially informed that Fortuny will be sent to the Soviet Union for treatment for chronic sinus trouble, adding that no local doctor would dare operate on him for fear that if the operation should not prove successful, the doctor might later be accused of intentional neglect.

Alvarado Monzón, who replaced Fortuny, has long been active in Communist affairs, and prior to his elevation

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to his new post, occupied the position of Secretary of Organization of the PGT, a position usually recognized as second in the organizational hierarchy. The same newspaper reported that José Luis RAMOS, Secretary of the Central Committee, had been relieved of all of his present duties to allow him to devote his energies to the Organizing Commission of the Party, and Antonio ARDON had been elected as an alternate member of the Secretariat of the Party's Central Committee. Ramos also has a long record of Communist activity, having come out in the open as an editor of the Communist newspaper Octubre in June 1950. He has been very active in agrarian affairs, having been Vice-Secretary of Agricultural Relations of the labor organization of the CGTG and secretary of training of the peasant organization, CNCG. Ardón was also named as one of the editors of Octubre in June 1950 and has been active in Party affairs at least since that date.

For the Ambassador:

Andrew B. Wardlaw

Andrew B. Wardlaw
First Secretary of Embassy

A.I. POUCH — UNCLASSIFIED (Security Classification) — 226

PRIORITY

# FOREIGN SERVICE DESPATCH

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FROM : AMEMBASSY, GUATEMALA — 981 (DESP. NO.)

TO : THE DEPARTMENT OF STATE, WASHINGTON — June 2, 1954 (DATE)

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| | ARA-4 | REP-2 OCR/R-2 CLI-6 P-1 EUR/X-1 |
| | RECD 6/3 | OTHER CIA-7 USIA-10 ARMY-3 NAVY-3 OSD-2 |

SUBJECT: COMMUNIST PRONOUNCEMENT ON TENSIONS RESULTING FROM ARRIVAL OF ARMS SHIPMENT IN GUATEMALA. OCB-1

The Central Committee of the Communist Partido Guatemalteco del Trabajo (PGT) published in its newspaper Tribuna Popular on May 30, 1954 a call for national unity and for intensification of Communist activity in the face of the tensions which have resulted from the arrival of the recent arms shipment in Guatemala. This lengthy and uncompromising document has occasioned no comment in the anti-Communist press and has had no particular effect on the political situation.

The article opened with the statement: "Once more the Yankee imperialist monopolies and their corrupt politicians menace the sovereignty and integrity of the national territory..... A furious campaign of lies and calumnies through all propaganda channels, accompanied by unconcealed interventionist measures such as the recent claim of the Department of State for an indemnity of $16,000,000 for lands expropriated from United Fruit Company in Tiquisate and the precipitate delivery of arms to the reactionary camarillas of Nicaragua and Honduras for aggression against Guatemala, characterize the attitude of the Yankee imperialism in relation to our country. It is evident that the aggressive attitude of Yankee imperialism towards Guatemala is the result of its policy of war".

The declaration continued: "In Europe, in Asia, in all the continents, the great mobilizations of the people led by the working class have been fundamental factors in restraining the arms of the incendiaries of war. The war-like hysteria of the camarilla of the monopolies and military governing in the United States, their military apparatus, their provocations and catastrophic experiments with thermonuclear arms with which they seek to destroy civilization, unless it submits itself to their rule, is exploding against the firm policy of peace of the Soviet Union, of Popular China and all the countries on the side of democracy and socialism."

AEWardlaw:ap (6/2/54)

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After discussing the policy of the United States towards Latin America, and particularly towards the Caracas Conference and towards Guatemala, the pronouncement stated "on the one hand the Department of State of the United States is pressing the Latin American governments to obtain their sanction against Guatemala in the Organization of American States. On the other hand the same Department of State is hurriedly sending arms and planes to Nicaragua and Honduras and is instigating the reactionary camarillas of those countries to launch a war against Guatemala. The hysteria among the Yankee millionaires and in government circles and in the Congress of the United States has reached crazy and ridiculous extremes against our little country for the 'grave crime' of having acquired the means necessary for the defense of the national territory. They wished Guatemala to be defenseless so that they could more easily fall upon her".

Repeating the accusation that the United States is pressing the "servile" governments of Honduras and Nicaragua to declare war against Guatemala and offering assurances that all the peoples of America, including those of the United States, are with Guatemala in the struggle, the document ended with the statement: "The Central Committee of the PGT summons all Communists to redouble their militancy, to arouse the revolutionary vigilance in the masses and to strengthen their ties with them. It calls on the working class and the peasants to mobilize their forces in support of the Government and the Army. It alerts all patriotic and anti-imperialist sectors, men and women, youths and adults, and summons them to close their ranks in the face of the menace of aggression. The unity of the working class must be strengthened, the alliance of the workers and the peasants must be tightened; the application of the Agrarian Reform Law must be more profound. The unity of all the democratic, patriotic, anti-interventionist forces must be consolidated and, with serenity, firmness and decision, must be alert and ready to occupy the posts which your responsibility demands of you. Guatemalans, unite as one man in support of the Government of the Republic defending peace, friendship and the principle of non-intervention; Guatemalans, acting above your political differences, tighten your ranks to defend the country".

Enclosed are newspaper clippings giving the Spanish text of this appeal.

For the Ambassador:

Andrew B. Wardlaw
First Secretary of Embassy

Enclosures:
√ Newspaper clippings.

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